TRACY TAYLOR, P.E. State Engineer



DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES DIVISION OF WATER RESOURCES

901 S. Stewart Street, Suite 2002 Carson City, Nevada 89701 (775) 684-2800 • Fax (775) 684-2811

http://water.nv.gov

Re: Applications 66729, 67976, 69594, 69595 and 69596

August 4, 2006

NOTICE OF HEARING

Grand Slam Enterprises, LLC 2100 West Holcomb Lane Reno, Nevada 89511 Certified Mail #7106 7808 0630 0022 7049

Washoe County
Department of Water Resources
Vahid Behmaram, Water Rights Supervisor
4930 Energy Way
Reno, Nevada 89502-4106
Certified Mail
#7106 7808 0630 0022 7056

Washoe County
Department of Water Resources
Vahid Behmaram, Water Rights Supervisor
P.O. Box 11130
Reno, Nevada 89520-0027
Certified Mail
#7106 7808 0630 0022 7070

Sierra Pacific Power Co. Tracy Power Station P.O. Box 10100 Reno, Nevada 89520 Certified Mail #7106 7808 0630 0022 7087

Edwin L. Depaoli 3800 Schurz Hwy. Fallon, Nevada 89406-8813 Certified Mail #7106 7808 0630 0022 7094

Churchill County 155 North Taylor Street, Ste. 153 Fallon, Nevada 89406 Certified Mail #7106 7808 0630 0022 7100

Peter R. Morgan, LLC Marc A. Bedell 5190 Neil Road, Suite 205 Reno, NV 89502 Certified Mail #7106 7808 0630 0022 7117

Ladies and Gentlemen:

On August 22, 2000, Grand Slam Enterprises, LLC, filed Application 66729 to appropriate 1.0 cubic feet per second, not to exceed 25 acre-feet annually of the underground water of the Tracy Segment Hydrographic Basin for industrial purposes. Application 66729 was protested by Washoe County.

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On September 6, 2001, S.P.P.Co., Tracy Power Station filed Application 67976 to appropriate 1.0 cubic feet per second of the underground water of the Tracy Segment Hydrographic Basin for industrial and domestic (Tracy Power Station) purposes. Application 67976 was protested by Churchill County.

On February 21, 2003, Peter R. Morgan, LLC, Marc A. Bedell filed Applications 69594, 69595 and 69596 each application requesting to appropriate 1.5, 2.5 and 2.5 cubic feet per second, respectively, of the underground water of the Tracy Segment Hydrographic Basin for quasi-municipal purposes. Application 69595 was protested by Edwin L. Depaoli and Applications 69594, 69595 and 69596 were protested by Sierra Pacific Power Company and Washoe County.

Please take notice; pursuant to the authority set forth in NRS § 533.365, 533.370 and 533.375, the State Engineer is setting a hearing to consider the matter of protested Applications 66729, 67976, 69594, 69595 and 69596. Accordingly, the hearing will convene promptly at 10:00 a.m., Tuesday, December 5, 2006, continuing through Friday, December 8, 2006, at the Division of Water Resources, Hearing Room, 901 South Stewart, Second Floor, Carson City, Nevada. Protestant Washoe County will present its case first, followed by Churchill County, Sierra Pacific Power Company and Edwin L. Depaoli with the Applicants presenting their case last.

The parties are hereby ordered to serve on each other and file in the Office of the State Engineer no later than Wednesday, November 1, 2006, a list of witnesses, a short summary of the testimony of each witness and copies of any documentary evidence you intend to introduce into evidence.

Nevada Administrative Code (NAC) § 533.290 requires that exhibits introduced into evidence must be in a readily reproducible form, on paper that is 8½" x 11" or foldable to that size, larger charts, maps, drawings and other material will not be admitted into evidence, but may be used for demonstrative purposes, and an original and one copy of each exhibit must be submitted to the State Engineer. Facilities are not available for copying documents during the hearing. Exhibits submitted on computer disks or any other media, other than paper that is 8½" x 11" or foldable to that size, will not be accepted and will not be admitted into evidence. Computer presentations, such as PowerPoint slides, must be offered into evidence and copied on paper that is 8½" x 11".

If any computer models are presented as evidence, the parties must provide the underlying code necessary for the Office of the State Engineer to run the model and verify the results. Failure to provide this information will render any such evidence inadmissible.

Be advised that witnesses will not be allowed to testify on direct examination regarding topics not mentioned in their witness summary. Any witness being called as an expert should be identified as such and the area(s) of expertise should be listed. All parties should be prepared to substantiate any claim of expertise for a particular witness even if prior arrangements have been made between parties not to object to each other's expert witnesses.

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You or your designated representative should plan to attend the hearing for the purpose of presenting evidence or testimony in support of your position concerning the protested applications. Lawyers not licensed to practice law in the State of Nevada or licensed, but not maintaining an office in the State of Nevada, are required to comply with Supreme Court Rules 42 and 42.1. The Verified Application to Associate form that needs to be filed with the Nevada State Bar can be found on the Nevada Division of Water Resources website found at www.water.nv.gov under Forms Room - Miscellaneous Forms. Nevada Supreme Court Rule 43 provides an exception for lawyers employed by or representing the United States Government.

As provided in NAC § 533.220, the hearing will be reported by a certified court reporter. An original and one copy of the transcript of the proceedings must be filed with the State Engineer. The Applicants and Protestants will bear equally the court reporter's appearance fee, travel expenses, reporting and transcribing the portion of the transcript consisting of comments by the State Engineer and the public. The Applicants and Protestants shall bear pro rata the cost of the portion of the transcript taken up by their own case.

We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the hearing. If special arrangements for the hearing are necessary, please notify me at the Nevada Division of Water Resources, 901 South Stewart, Second Floor, Carson City, Nevada, 89701, or by calling (775) 684-2800.

If you have any questions on this matter, feel free to call me.

Sincerely,
Im Misson, P.E.

Tim Wilson, P.E. Hearing Officer

TW/im

cc:

Leslie & Campbell, Chtd., Attorneys at Law

Dale E. Ferguson, Woodburn & Wedge

Bob Squires, agent

Water Research & Development, Inc.

Summit Engineering Corp.

Roy H. Hibdon. P.E., Civil Engineering Consultants, Ltd.

Rick Wrobleski, CBRER

Tracy Taylor, E-mail

Jason King, E-mail

Kelvin Hickenbottom, E-mail

Mike Wolz, E-mail

Steve Lyon, regular mail

Barbara Shand, E-mail

Brendon Riley, E-mail

Cy Ryan, E-mail

Donna Burns, E-mail

Ed Vogel, E-mail

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Henry Brean, E-mail

Keith Rogers, E-mail

J.C. Davis, E-mail

Ken Ritter, E-mail

Kent Harper, E-mail

Launce Rake, E-mail

Mary Manning, E-mail

Sean Whaley, E-mail

Warren Bates, E-mail

Steve Del Soldato, E-mail

Elko Branch Office, E-mail

Southern Nevada Branch Office, E-mail

Capitol Reporters, regular mail